CENTER FOR GLOBAL DEVELOPMENT ESSAY

### The Peace Corps in a Smaller World: A New Model for the Next 50 Years

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### ABSTRACT

The Peace Corps is 50 years old in 2011. The agency still holds to its founding goals, laid out by John F. Kennedy, of providing technical assistance and promoting understanding. Fifty years after its founding, demand from developing countries for volunteers outstrips the Peace Corps' capacity to respond. Nonetheless, the agency operates on a model designed for a very different world, and an evolutionary change in that model from a government-operated program to a grant-making system closer to the Fulbright scholarships could result in a higher effectiveness in meeting the Peace Corps' fundamental goals over its next fifty years of life.

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#### Introduction

The Peace Corps is 50 years old in 2011. The agency still holds to its founding goals, laid out by John F. Kennedy, of providing technical assistance and promoting understanding. It runs according to a model laid out by its first Director, Sargent Shriver, a dynamic force who designed the institution in a month and sent out the first volunteers within ten months of the Executive Order creating the agency.

The heart of the Peace Corps program is to select and support around 9,000 volunteers serving in developing countries, providing them with ten to twelve weeks of training – mostly language—and then sending them to work on grassroots projects for a period of two years. The agency's mission is "to promote world peace and friendship," through three core goals:

- 1. To help the people of interested countries in meeting their need for trained men and women;
- 2. To help promote a better understanding of Americans on the part of the peoples served; and
- 3. To help promote a better understanding of other peoples on the part of Americans.

The Peace Corps' budget in FY10 was \$400,000,000. The Peace Corps has successfully constrained cost growth since 1962 –per volunteer costs in real terms are about the same as they were fifty years ago. Nonetheless, the FY11 numbers suggests that the budget works out at about \$52,000 per volunteer per year. Volunteers serve in training and the field an average of 24 months,<sup>1</sup> suggesting a per-volunteer cost of around \$104,000.<sup>2</sup>

That is not an insignificant amount of money. The annual cost per volunteer is the same as the median US household income. While less than one percent of a \$50-plus billion State and Foreign Operations budget, it is still worth examining if the Peace Corps as currently designed maximizes benefits for its cost. This not least because the overall goals of the agency are surely of great value and considerably underfunded in the US federal budget as a whole.<sup>3</sup>

Fifty years after its founding, demand from developing countries for volunteers outstrips the Peace Corps' capacity to respond. Since 2002, the agency has received letters of request or inquiry from 27 countries where there is no current program.<sup>4</sup> And, within the US, the agency retains a strong reputation, considerable bipartisan popularity and the vocal

<sup>&</sup>lt;sup>1</sup> Two years is the standard time in field, with an additional three month training, but some volunteers have to return early.

<sup>&</sup>lt;sup>2</sup> Note that the marginal cost of a volunteer is considerably lower, because overhead accounts for the great majority of the agency's costs –a subject returned to.

<sup>&</sup>lt;sup>3</sup> Quigley and Rieffel, 2008.

<sup>&</sup>lt;sup>4</sup> Tarnoff, 2010.

appreciation of generations of returned volunteers. Nonetheless, the agency operates on a model designed for a very different planet, in a year the Beatles first performed, Yuri Gagarin was the first person in space and the US entered the Vietnam War.

The extent of American interaction with the developing world is exponentially greater than it was fifty years ago, in no small part because globalization has dramatically increased accessibility between countries. Again, the last 50 years have seen considerably increased overseas volunteering activities from the US and technical capacity within developing economies.

Taking each of the core goals listed above in turn, the next sections discuss the efficacy and relevance of the original model in reaching those same goals in a world markedly different from that of 1961. A final section suggests the policy conclusion: an evolutionary change in the basic model of the agency from a government-operated program to a grantmaking system closer to the Fulbright scholarships could result in a considerably higher effectiveness in meeting the Peace Corps' fundamental goals over its next fifty years of life.

### To help the people of interested countries in meeting their need for trained men and women

The Peace Corps' 2011 budget justification discusses development impact and project sustainability, as well as the agency's focus on high-priority development areas such as food security, education, health and renewable energy.<sup>5</sup>

Capacity building programs are complex and difficult in the best of circumstances. Outsiders with a limited understanding of the local environment are challenged when it comes to effectively transferring relevant technical knowledge that allows for institutional development.<sup>6</sup> With regard to the efficacy of Peace Corps assistance in particular, the agency has begun some survey work of volunteers and partner organizations. For example, in FY09, 88 percent of volunteers reported that their work transferred skills to host country individuals or organizations adequately or better. And 52 percent of partner organizations reported that their assigned volunteers fulfilled their requested need for technical assistance.<sup>7</sup> A more rigorous evaluation of the Peace Corps' development impact through capacity building is yet to be conducted.<sup>8</sup>

We do know that assignments for Peace Corps volunteers do not (cannot) usually involve significant specific technical skills. Other US government programs such as the Volunteers for Prosperity Initiative support (short) in-field placements for highly skilled

<sup>&</sup>lt;sup>5</sup> http://multimedia.peacecorps.gov/multimedia/pdf/policies/peacecorps\_cbj\_2011.pdf

<sup>&</sup>lt;sup>6</sup> Easterly, 2007; Collier and Dollar, 2001.

<sup>&</sup>lt;sup>7</sup> http://multimedia.peacecorps.gov/multimedia/pdf/policies/peacecorps\_cbj\_2011.pdf

<sup>&</sup>lt;sup>8</sup> In the days that comparatively small pilot development projects like the Millennium Villages are under considerable pressure to implement rigorous randomized evaluations, the evaluation gap for a multi-billion dollar program like the Peace Corps looks particularly large.

individuals. In FY 2005, 12,000 VfP placements were supported under a partnership model with organizations that recruit and support volunteers. But 85 percent of Peace Corps volunteers are recent college graduates --who undergo only twelve weeks of training which focuses on language.<sup>9</sup> This suggests that volunteer activities are perforce limited to those which can be accomplished by a motivated, college-educated individual with little or no prior overseas or professional experience.

The supply of such unskilled volunteer services from the US has undoubtedly climbed dramatically since the founding of the Peace Corps. When it was founded, the agency was the only American volunteer organization operating internationally.<sup>10</sup> More than one million Americans reported volunteering abroad in 2008, suggesting that Peace Corps volunteers amount to less than one percent of the total.<sup>11</sup> There are now a range of private and non-profit organizations that help place volunteers in developing countries for periods from months to years.<sup>12</sup> Examples include Cross Cultural Solutions, which matches 4,000 volunteers with service opportunities in 12 countries, and Doctors Without Borders, that sends around 3,400 doctors abroad each year.<sup>13</sup>

It is worth emphasizing that most of the one million US volunteers each year serve less than two weeks and only 18,078 volunteers served for over six months –the Peace Corps accounts for a significant proportion of that number. The impact of a volunteer with some training who speaks the local language and is in post for two years will be considerably larger than a short-term unskilled volunteer with no language skills.<sup>14</sup>

But at the same time as there has been a growth in the availability of both high and low-skilled volunteers and professionals from developed countries to work in developing countries, there has also been a considerable expansion of developing country college and

<sup>12</sup> McBride, Lough, and Sherraden, 2010.

<sup>13</sup> The change in supply dynamics for volunteers from the US to developing countries might be well illustrated by the spring break period in 2010 following the Haiti earthquake. Organizations that offered volunteering opportunities for students warned that the food and supplies that would be used by students in Haiti at that point would be better used by Haitians and people doing essential work. But the number of American students who wanted to travel to the country was significant enough that a number of universities moved to specifically ban student groups from travelling to the island (http://www.insidehighered.com/news/2010/03/01/haiti).

<sup>14</sup> With regard to skills and training, 54% of all overseas volunteers from the US had a bachelors' or higher and seven out of ten came from households earning \$50,000 or more a year). The average US overseas volunteer in 2008 was older than a Peace Corps Volunteer. This suggests somewhat lower average education levels but more experience (Lough, 2010).

<sup>&</sup>lt;sup>9</sup> Peace Corps, 2010.

<sup>&</sup>lt;sup>10</sup> Peace Corps, 2010.

<sup>&</sup>lt;sup>11</sup> Lough, 2010.

university graduates. Tertiary education rates in developing countries are considerably higher than they were when the Peace Corps was founded. To take some significant Peace Corps countries: Guatemala's tertiary enrollment has climbed from 3% in 1970 to 18% today, Indonesia's from 3 to 21%, and Panama's from 7 to 45%.<sup>15</sup>

Tertiary education rates remain lower in many low income countries, and especially in fragile states. However, security or other concerns prevent the Peace Corps from operating in such countries. Table One lists the nine countries with the most Peace Corps volunteers in FY2010 (all of those with more than 200 volunteers). It also notes their income status as defined by the World Bank. Only two of the countries (Nicaragua and Senegal) are classified as low income. Other volunteer and professional development agencies operate with greater ease in some of the countries where potential need for unskilled but educated volunteers appears likely to be larger. There are perhaps 2,000 Western volunteers and employees in Kabul, working for a range of NGOs, consulting firms and international agencies.<sup>16</sup> None work with the Peace Corps.

In response to a perceived sufficiency in the supply of unskilled assistance from developed to developing countries, other flagship long-term national and international volunteer programs have moved towards higher skill requirements for volunteers. The UK's Voluntary Service Organization also places individuals for periods as long as two years, but requires significant (at least 2-3 years) work experience. The UN Volunteers Program requires at least five years technical experience. Many other volunteer programs require at least five to ten years of professional experience.<sup>17</sup> As we have seen, the US also has a range of government-supported expert volunteer programs.

It might be fair to conclude that we know little about the development impact of the Peace Corps, but changes in both patterns of volunteering and in education rates of developing countries suggest that the impact has probably declined over time.<sup>18</sup>

## To help promote a better understanding of Americans on the part of the peoples served

According to Peace Corps surveys, the proportion of volunteers reporting that their work helps to promote a better understanding of Americans on the part of peoples served was 74%. 44% of host country nationals who have interacted with a Peace Corps volunteer believed that Americans are committed to assisting other peoples. The proportion for those

<sup>18</sup> It is also worth noting that US overseas assistance as a whole is skewed very heavily towards technical cooperation. The ratio of technical cooperation grants in the US ODA budget has climbed from 20 percent to well above 50 percent. This ratio is now over double the rates in the UK and Japan, for example (Easterly, 2007).

<sup>&</sup>lt;sup>15</sup> Data from http://databank.worldbank.org/ddp/home.do

<sup>&</sup>lt;sup>16</sup> http://news.bbc.co.uk/2/hi/south\_asia/4333321.stm

<sup>&</sup>lt;sup>17</sup> Keesbury, 2003.

who had not interacted with a Peace Corps volunteer is not stated, so it is impossible to suggest what the impact of the interaction may have been. Regardless, it is likely that the program's overall impact will be limited, perhaps especially where better understanding is needed most.

Over the last fifty years, the global reach of sources of information about the US has grown exponentially. In 2008, for example, around two out of every three dollars spent on going to the cinema in the World excluding the US was to see movies produced in the US.<sup>19</sup> Compared to the ubiquitous access to US cultural goods, news about US foreign policy from local and international news outlets, or the impact of millions of US tourists and the near one-million non-Peace Corps volunteers, the impact of the Peace Corps will necessarily be small. The program has far less than one volunteer for each 100,000 people in most of the countries in which it operates.

Again, the Peace Corps is not designed to focus on policy or opinion makers, nor to propagandize on behalf of US interests –the placement of the great majority of volunteers far from the capitals of the countries in which they work guarantees this. Furthermore, from the perspective of winning the hearts and minds that US foreign policy is most concerned with, it is a weakness of the Peace Corps model that the considerable majority of countries where the agency operates play a marginal role in global affairs. The agency only has programs in nine of the twenty most populous developing countries<sup>20</sup> and security concerns limit the scope of operations for the Peace Corps in other countries where one might expect better understanding of Americans to be a particularly high priority. Alongside Afghanistan, there is no Peace Corps program in Iraq, Yemen, Pakistan, North Korea, or Somalia for example. Of the eight countries in the 2007 Pew survey of global attitudes where more than 30 percent of respondents had a very unfavorable opinion towards the US, only two had Peace Corps programs.<sup>21</sup>

US Fulbright scholars, who often work with future elites in universities across a wider range of countries, may have a significantly greater potential impact on attitudes towards the US (if still likely too small to measure at the national level). Even more so, the part of the Fulbright program that brings 1,800 overseas scholars to the US every year is likely to be a particularly powerful tool for shaping elite opinion abroad.<sup>22</sup>

<sup>&</sup>lt;sup>19</sup> http://eprints.lse.ac.uk/27040/1/The\_business\_of\_making\_money\_in\_the\_movies(lsero).pdf

<sup>&</sup>lt;sup>20</sup> Jordan and Morocco had programs, Argentina, Turkey, Egypt, the Palestinian territories, Pakistan and Malaysia did not. Pew, 2007.

<sup>&</sup>lt;sup>21</sup> Quigley and Rieffel, 2008.

<sup>&</sup>lt;sup>22</sup> For example, John Atta Mills, President of Ghana, received a Fulbright in 1971 –and is leading an administration viewed very favorably by the US government http://www.fas.org/sgp/crs/row/RS22809.pdf

# To help promote a better understanding of other peoples on the part of Americans

Talking to returned volunteers, it is obvious that the Peace Corps can provide a hugely enriching and life-changing experience. One of the undoubted benefits of the Peace Corps program has been to create a near 200,000-strong alumni base of people aware of --and frequently very committed to-- issues of development. Ex Peace-Corps volunteers include former Senator Christopher Dodd, NBC presenter Chris Matthews, and presidents, chairmen of the board or CEOs of organizations including Bank of America, Levi Strauss, Population Action International, Netflix and the Chicago Bears. The list also includes astronauts, movie producers and (a measure of the program's cultural influence) Brian –the dog on Fox's animated comedy *Family Guy*.<sup>23</sup>

Analysis of the Peace Corps' impact on the attitudes of volunteers faces the issue of self-selection bias. Volunteers are likely to join the program more committed to, and knowledgeable about, development issues than non-volunteers. As a result, it is difficult to know the extent of the impact on understanding of other peoples of Peace Corps service without before and after studies of volunteers and comparators that have not been carried out. One such analysis of a non-Peace Corps program that places US volunteers internationally did find that volunteers returned saying that they were more committed to international careers and more internationally aware than people who had considered volunteering but had ended up staying in the US. However, the size of the impact was fairly small.<sup>24</sup>

It is also worth noting that the length of overseas service was significantly related to the level of international social capital in this study –the number of personal and organizational contacts who live in other countries reported by (potential) volunteers. At the same time, length of service was not significantly related to international career intentions or international awareness (interest in issues related to poverty and development). The two year length of service supported by the Peace Corps undoubtedly comes at a cost in terms of the number of volunteers cycled through the Peace Corps program (both reducing the supply of applicants and increasing program costs per volunteer). The finding of a limited impact of volunteer time on understanding should come as some concern, then.<sup>25</sup>

Furthermore, non-Peace Corps vehicles for learning and understanding about the developing world amongst young Americans have increased considerably since the agency's early years. Not only are there the close to one million overseas volunteering trips taken abroad each year outside the Peace Corps, but also considerably more global interaction in

<sup>&</sup>lt;sup>23</sup> http://answers.yahoo.com/question/index?qid=20071211153611AA9T3Ew

<sup>&</sup>lt;sup>24</sup> 15% of a standard deviation in the case of international awareness and 24% of a standard deviation in the case of pursuing an international career McBride, Lough and Sherraden, 2010.

<sup>&</sup>lt;sup>25</sup> With regard to the value of the language skills that volunteers acquire, it is also not clear that two years of immersion is necessary to accomplish advanced knowledge.

general. Just since 1999, US exports to Africa have climbed from \$11 billion to \$24 billion, and this is surely connected with a greater understanding of the region by companies involved in this trade.<sup>26</sup> The number of passengers carried on the world's airlines each year has climbed from 310 million to over two billion each year between 1970 and 2008.<sup>27</sup> Between 1996 and 2009 alone, the number of US citizens travelling to Africa tripled to 399,000 a year.<sup>28</sup> Again, 260,000 US students studied abroad in the 2008/9 academic year, up from around 75,000 twenty years ago. A lot of those studying did so in developing countries –36,540 in the nine countries of Mexico, Costa Rica, Argentina, South Africa, Chile, Ecuador, Brazil, India and Peru alone. 13,681 were in Africa and 3,670 were in the Middle East.<sup>29</sup>

Having said that, the Peace Corps offers a different and valuable route to greater understanding of the world for young Americans. Peace Corps Volunteers do not work in centers of tourism, they stay longer in country than the few weeks of the average US overseas volunteer and learn local languages which allow for a much deeper level of engagement. Whatever changes to the model of the Agency might be proposed should retain these very important features.

#### **Cost Efficiency**

More broadly, it is not fully clear if there is the same need for the considerable overhead attached to operating the Peace Corps under the current model as there was fifty years ago. In an increasingly interconnected world, with other (cheaper and more flexible) alternatives to provide young people experience in developing countries, these costs may look excessive.

Not only do the rapidly growing number of US citizens travelling, studying and volunteering abroad suggest a huge increase in US awareness of the developing world, but also something about the comfort factor of visiting and staying in poor countries. Not least, the distance between Peace Corps volunteer locations and the United States has diminished in many ways since the 1960s. Disease burdens have become more similar, so that the threat of unknown illness has reduced. All-weather roads and international flights have expanded their reach, so that the time taken to travel has dramatically declined. Television sets and television signals are available far more ubiquitously –so that over a billion people worldwide have seen *Baywatch*, for example. More Americans than ever before understand the rules of the global game – football (aka soccer).

Communication is also considerably easier. In 1970, there were fewer than eleven thousand telephones in the entire country of Senegal, or one phone for each 18 square kilometers in the country. The vast majority of these phones were in the capital, Dakar.

<sup>&</sup>lt;sup>26</sup> http://www.census.gov/foreign-trade/balance/c0013.html#questions

<sup>&</sup>lt;sup>27</sup> Calculated from data at http://databank.worldbank.org/ddp/home.do

<sup>&</sup>lt;sup>28</sup> Data from http://tinet.ita.doc.gov

<sup>&</sup>lt;sup>29</sup> Institute of International Education, 2010.

Today, there are 5.6 million phones (500 times as many as in 1970) spread throughout the country –or one for each four hundredths of a square kilometer.<sup>30</sup> The spread of phone coverage worldwide helps to account for the fact that 90 percent of Peace Corps volunteers in the field have a cell phone.<sup>31</sup> The cost of calling back to the US has fallen exponentially, as well --from about \$44 for a three minute transatlantic phone call in 1969 to 30 cents in 2000 –and even cheaper since then.<sup>32</sup>

Despite this growing interaction, the Peace Corps retains an in-country presence in its volunteer host countries at some considerable cost. In 2004, 56 percent of the Peace Corps' overall costs went to staffing overseas offices compared to 28 percent that went to supporting volunteers in the field.<sup>33</sup> Peace Corps operations also take up the time of US embassy staff, who bear some responsibility for quasi-employees of the US government. While the model may have advantages in fragile states, one wonders at the need for a significant administrative infrastructure in country to ensure the safety and comfort of Peace Corps volunteers in Belize, Costa Rica, the Dominican Republic, the Eastern Caribbean, Guatemala, Mexico, Morocco, Jamaica or Thailand –collective home to more than 1,000 volunteers in FY 2010. While Peace Corps volunteers are not working directly in resort areas, these countries remain major holiday and backpacking destinations for young Americans. Table One lists the number of international tourist arrivals into the largest Peace Corps countries in calendar 2009 –none were far off the tourist beaten track.<sup>34</sup>

There are private sector volunteer placement programs that provide placement for between \$5-6,000 a year –or about ten percent of the costs of the Peace Corps per volunteer.<sup>35</sup> It is doubtful that they provide the language training or support made available to Peace Corps members. At the same time, a tenfold cost increase may seem a considerable price to pay for the provision of such services in an increasingly interconnected world.

<sup>&</sup>lt;sup>30</sup> Calculated from data at http://databank.worldbank.org/ddp/home.do

<sup>&</sup>lt;sup>31</sup> http://multimedia.peacecorps.gov/multimedia/pdf/policies/peacecorps\_cbj\_2011.pdf

<sup>&</sup>lt;sup>32</sup> Calculated from <u>http://www.dtc.umn.edu/~odlyzko/doc/history.communications0.pdf</u> and World Development Indicators for the US GDP deflator.

<sup>&</sup>lt;sup>33</sup> Rieffel, 2003.

<sup>&</sup>lt;sup>34</sup> UNWTO 2010 for tourist arrivals,

http://multimedia.peacecorps.gov/multimedia/pdf/policies/peacecorps\_cbj\_2011.pdf for Peace Corps volunteers.

<sup>&</sup>lt;sup>35</sup> Rieffel, 2003.

#### **Policy Conclusions**

In a globalized world with a growing number of different opportunities for young Americans to live and volunteer in developing countries, there may be ways to increase the efficacy of the Peace Corps in delivering on the promotion of world peace and friendship.

It is perhaps fair to conclude that the most unarguably accomplished of the three goals the Peace Corps strives towards is promoting a better understanding of other peoples on the part of Americans. But perhaps particularly when it comes to maximizing the efficiency of reaching that goal, the current long-deployment, government-run, high cost per volunteer model is poorly suited to deliver.

At the moment, the Corps has a model that depends on in-house provision of services from selection through training, placement and support. This is an expensive model, it is one that limits the range of activities and number of countries that Peace Corps volunteers can engage in, and one that looks increasingly unnecessary as the distance between volunteers and the US declines. The marginal cost of a volunteer is considerably below the \$104,000 average cost, but the supply of potential volunteers under the current model is also limited, suggesting it will be difficult to reduce average costs through an expansion of the program without greater flexibility in terms of service.<sup>36</sup>

The Fulbright Program might be seen as a comparatively light and flexible model towards which the Peace Corps could move. The program awarded approximately six thousand grants in 2008, to U.S. students, teachers, professionals, and scholars to study, teach, lecture, and conduct research in more than 155 countries, and to their foreign counterparts to engage in similar activities in the United States.<sup>37</sup> The Fulbright program is far less involved in day to day oversight and management of scholar activities than is the Peace Corps with volunteers. This is one reason costs are lower. For a Congressional allocation of \$234 million (supplemented by \$141m in overseas and private contributions) there were 2,913 foreign recipients of Fulbright scholarships in the US in 2008 and 4,452 US citizens on Fulbrights overseas, including 1,526 students. Per awardee, that suggests a cost to the US Government of about \$32,000 per year –about \$20,000 less than the Peace Corps.

<sup>37</sup> <u>http://fulbright.state.gov/uploads/ce/34/ce34fcd6b62b90e41d83d2b77ba1040d/2008-2009-</u> <u>Fulbright-Annual-Report.pdf</u>. 1,500 US students each year use grants to support assistant-teaching English, or conducting research abroad. 39 Fulbright scholars have gone on to win Nobel Prizes.

<sup>&</sup>lt;sup>36</sup>The level of applications per place in the Peace Corps is around 3.5. There were 15,000 volunteer applications for the Peace Corps in FY09. In order to keep the same number of volunteers in the field (8,500), and an average time in field and training of 24 months, this suggests that the Corps accepted about 4,250 of those applications. Rieffel (2003) suggests there are concerns that under these circumstances a significant expansion could not occur without a decline in the quality of volunteers. By comparison, the Fulbright Program scholarships see one acceptance for each five applications (with a ratio of one to eight to study in the Africa region). This Calculated from data at http://us.fulbrightonline.org/home.html).

In addition, Fulbright scholarships are usually for an academic year or less, suggesting a threefold-plus larger throughput of awardees per dollar. The program can have a wider reach than the Peace Corps –for example, Yemen has seen 70 visiting US scholars since Fulbright's inception and 426 Yemenis have come to the US under the program.<sup>38</sup>

In a world where there are competing providers of volunteer services operating at considerably lower cost, and where a US bureaucratic model limits the scope of operations to countries with a formal government-to-government agreement and where security risks are deemed low enough, it would make considerable sense for the Corps to evolve towards a model of awarding grants for overseas service rather than attempting to provide a full volunteer package.

Grants could be offered directly to volunteers to cover the cost of travel and living in a developing country as well as some of the costs of reintegration on return. The Corps would leave to applicants (working with placement agencies if they chose) to set up travel, training and placement. In order to preserve the sense of camaraderie created by the Corps, grants might also stipulate and support pre-and post-deployment as well as in-country meetings for volunteers.

The Corps could set conditions on factors such as (i) minimum length of service; (ii) language skills and training requirements; (iii) countries (and/or locations within countries) where volunteers could operate; (iv) areas of volunteering focus; (v) security arrangements for volunteers including training and evacuation procedures and (vi) total cost of the proposed program. It could offer grants by sectoral focus, region and/or country. With regard to length of service in particular, to broaden the application base and reduce pervolunteer costs, this could be reduced from two years, especially for applicants with technical skills. While there is surely value in terms of the experience and impact on volunteers from a program that lasts at least six months to a year, there is also a declining marginal return to longer service.<sup>39</sup>

In some cases, the terms might be made more generous to attract volunteers with particularly valuable skills or experience. For example, Mead Over at the Center for Global Development has proposed that there might be a particularly effective role for a volunteer agency to support the placement of medical graduates in developing countries, perhaps in return for paying off a proportion of medical school debt.<sup>40</sup> A grant-making agency could work with existing NGOs working in this field including Doctors Without Borders and the Global Health Corps to support such targeted volunteer placement.

<sup>&</sup>lt;sup>38</sup> At the same time, over its history, the Fulbright program has made scholarship awards to over 10,000 Africans and has financed 4,400 Americans to study or teach on the continent. Each year, about 500 Americans are studying in Africa, the Near East and South and Central Asia under the program.

<sup>&</sup>lt;sup>39</sup> A number of volunteers have suggested that the considerable bulk of their program activities were completed in the second year, but as suggested above, maximizing development impact is probably not the best rationale around which to build the model for Peace Corps service conditions.

<sup>&</sup>lt;sup>40</sup> http://www.cgdev.org/content/article/detail/1423620/

As the Corps' role changed from service provider to grant maker, it could also take on an additional role as evaluator. What is the potential impact on the Corps' mission of longterm placements or higher skill requirements, for example? As the Corps would no longer be locked into one service model, it would have considerably greater flexibility to experiment and learn through grant adjustments and evaluations.

A number of commentators and legislators have proposed creating new volunteer programs broadly along the lines suggested above. For example, the Global Service Fellowship legislation recently considered by Congress would provide 10,000 fellows support to work with NGOs abroad at a cost of \$50 million each year.<sup>41</sup> Kevin Quigley of the National Peace Corps Association and Lex Rieffel at the Brookings Institute have proposed a Corporation for International Study and Service which would have the existing Peace Corps at its heart but also offer support for a range of other overseas volunteering models -- service with NGOs or UN Volunteers, shorter service periods and so on.<sup>42</sup>

An alternate approach would be a potential transition and experimentation model for the Peace Corps itself. While continuing to offer the standard Peace Corps package in the countries where a full-service model might seem to have particular advantages (fragile states, perhaps), the Corps could start a more flexible grant making model in some of the countries where a lighter model could most likely deliver similar outcomes at a much lower cost (the Dominican Republic, the Eastern Caribbean). They could also offer to provide grants to individuals seeking to volunteer in countries currently without a Peace Corps program at all. This would allow for a period of evaluation and learning potentially leading to an increased level of transition towards the new model over time.

A grant-making model would considerably reduce the overhead costs of the Peace Corps program while increasing flexibility with regard to issues like placement and duration. This would allow for an expansion in the ratio of grants awarded to budget, while potentially also increasing the applicant pool and both the development impact and the diplomatic impact of the program. With greater flexibility would come the potential to better absorb additional budgets (and perhaps other federal programs including Volunteers for Prosperity), allowing for an even greater number of volunteers to benefit from what is frequently a life-transforming opportunity. The new model would be far better suited to sustain the reputation and impact of the Peace Corps through its next 50 years of life.

<sup>&</sup>lt;sup>41</sup> Caprara et. al. 2009.

<sup>&</sup>lt;sup>42</sup> Quigley and Rieffel 2008.

Country	Peace Corps Volunteers	Tourist Arrivals	Income Level
Dominican Republic	204	3,992,000	Lower Middle
Guatemala	215	1,392,000	Lower Middle
Morocco	264	8,341,000	Lower Middle
Nicaragua	216	932,000	Low
Paraguay	232	439,000	Lower Middle
Peru	250	2,140,000	Lower Middle
Philippines	239	3,017,000	Lower Middle
Senegal	210	875,000	Low
Ukraine	453	20,741,000	Lower Middle

### Table One: The Major Countries of the Peace Corps

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